

**IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

HOMeward RESIDENTIAL, INC., solely
in its capacity as Master Servicer for the
Option One Mortgage Loan Trust 2006-2, for
the benefit of the Trustee and the holders of
Option One Mortgage Loan Trust 2006-2
Certificates,

Plaintiff,

v.

SAND CANYON CORPORATION, f/k/a
Option One Mortgage Corporation,

Defendant.

CIVIL ACTION NO. 12-cv-5067 (AT)

ECF Action

**DECLARATION OF ROBERT M. STERN IN SUPPORT OF SAND CANYON
CORPORATION'S MOTION TO DISMISS THE COMPLAINT**

I, Robert M. Stern, do hereby declare under penalty of perjury pursuant to 28 U.S.C. § 1746
the following:

1. As a member in good standing in this Court and in the Bar of the State of New York,
I respectfully submit this declaration in connection with the Memorandum of Law in Support of Sand
Canyon Corporation's Motion to Dismiss the Complaint.

2. I am a partner at O'Melveny & Myers LLP, 1625 Eye St., NW, Washington, D.C.
20006, (202) 383-5300, attorney of record for Defendant Sand Canyon Corporation in the above-
captioned matter.

3. Attached hereto as Exhibit 1 is a true and correct copy of the Complaint filed in
the above captioned matter. (*See* ECF No. 1.)

4. Attached hereto as Exhibit 2 is a true and correct copy of the Mortgage Loan Purchase Agreement, dated June 23, 2006, between Option One Mortgage Corporation as Originator and Seller, various Option One Owner Trusts¹ as Sellers, and Option One Mortgage Acceptance Corporation as Purchaser, originally attached as Exhibit A to the Complaint.

5. Attached hereto as Exhibit 3 is a true and correct copy of the Pooling and Servicing Agreement (“PSA”) dated June 1, 2006, between Option One Mortgage Acceptance Corporation as Depositor, Option One Mortgage Corporation as Master Servicer, and Wells Fargo Bank, N.A. as Trustee, originally attached as Exhibit B to the Complaint.

6. Attached hereto as Exhibit 4 is a true and correct copy of excerpts of the Option One Underwriting Guidelines used in the origination of loans in the Option One Mortgage Loan Trust 2006-2 for which Defendant has received repurchase requests. The individual underwriting guidelines, which are updated periodically, are identified as follows based on operative date:

Exhibit	Operative Date of Underwriting Guidelines²
4-A	July 29, 2005
4-B	August 5, 2005
4-C	August 12, 2005
4-D	August 19, 2005

¹ The participating trusts include: Option One Owner Trust 2001-1A, Option One Owner Trust 2001-2, Option One Owner Trust 2002-3, Option One Owner Trust 2003-4, Option One Owner Trust 2003-5, Option One Owner Trust 2005-6, Option One Owner Trust 2005-7, Option One Owner Trust 2005-8, and Option One Owner Trust 2005-9.

² Although Defendant attaches excerpts from each version of the underwriting guidelines that were used in originating any of the loans for which Defendant received repurchase requests, the specific excerpt sections attached hereto do not contain material differences and most of the excerpts will appear identical.

Exhibit	Operative Date of Underwriting Guidelines²
4-E	August 26, 2005
4-F	September 2, 2005
4-G	September 9, 2005
4-H	September 16, 2005
4-I	September 23, 2005
4-J	September 30, 2005
4-K	October 7, 2005
4-L	October 14, 2005
4-M	October 21, 2005
4-N	October 28, 2005
4-O	November 4, 2005
4-P	November 11, 2005
4-Q	November 18, 2005
4-R	November 25, 2005
4-S	December 2, 2005
4-T	December 9, 2005
4-U	December 16, 2005
4-V	December 23, 2005
4-W	December 30, 2005
4-X	January 1, 2006
4-Y	January 13, 2006
4-Z	January 20, 2006
4-AA	January 27, 2006

Exhibit	Operative Date of Underwriting Guidelines²
4-BB	February 3, 2006
4-CC	February 10, 2006
4-DD	February 17, 2006
4-EE	February 24, 2006
4-FF	March 3, 2006
4-GG	March 10, 2006
4-HH	March 17, 2006
4-II	March 24, 2006
4-JJ	March 31, 2006
4-KK	April 7, 2006
4-LL	April 14, 2006
4-MM	April 21, 2006
4-NN	April 28, 2006
4-OO	May 5, 2006
4-PP	May 12, 2006
4-QQ	May 19, 2006

7. Attached hereto as Exhibit 5 is a true and correct copy of an excerpt of the Option One Mortgage Loan Trust 2006-2 Prospectus Supplement setting forth the Option One underwriting standards.

8. Attached hereto as Exhibit 6 is a true and correct copy of Exhibit B (“Underwriting Guidelines”) to Schedule A (“Residential Mortgage Agreements Insured by the

Policy”) to Exhibit B (“Form of Loan Policy”) of the PSA setting forth the Option One underwriting standards.

9. Attached hereto as Exhibit 7 is a true and correct copy of a letter from Sand Canyon to Wells Fargo, dated May 25, 2012.

10. Attached hereto as Exhibit 8 is a true and correct copy of a letter from Wells Fargo to Sand Canyon, dated August 23, 2010.

11. Attached hereto as Exhibit 9 is a true and correct copy of an opinion by the Honorable Eileen Bransten of the Supreme Court of the State of New York, dated May 29, 2013, granting in part the defendant’s motion to dismiss in the case *U.S. Bank National Association v. Countrywide Home Loans, Inc.* (Index No. 652388/2011) (NYSCEF Doc. No. 36).

Dated: June 28, 2013
Washington, DC

By: /s/ Robert M. Stern
Robert M. Stern